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UNITED STATES DEPARTMENT OF AGRICULTURE  
Bureau of Agricultural Economics

Report F.S.17.

July 21, 1922.

## NEW ZEALAND MEAT TRADE OPTIMISTIC

Price Fluctuations Common During First Quarter  
of 1922 - Wage Reductions Made in Order  
to Lower Operating Costs.

Estimates of the total exportable surplus of sheep and mutton in New Zealand during the present season range in the neighborhood of 1,700,000 sheep and 4,250,000 lambs, according to a report received from a correspondent of the Bureau of Agricultural Economics in New Zealand. Prospects for continual improvement in the meat trade of the country are said to be very good. Farmers are making extensive provision of rape and green food for fattening lambs after weaning. Conditions this year have been favorable both in the North Island and South Island for grass, rape and root crops.

Although the quality of the wethers thus far slaughtered has been good, the weights have probably been somewhat lighter. With regard to lambs, it is believed that the quality in the North Island has been on the whole better than usual, but in the South Island the quality during the earlier part of the season was not up to the usual standard, with the result that a large proportion of the lambs were graded as second quality. The latter part of the season, however, has shown an improvement so that with the conditions now prevailing there is no doubt but that the high quality of Canterbury lambs will be maintained.

The present New Zealand lamb and mutton season, which began around the close of the year 1921, has been an extraordinary one in respect to prices on account of the violent fluctuations brought about by the irregularity of supply and demand in the leading foreign consuming markets. The opening prices quoted during December 1921 in the North Island ranged in the neighborhood of 5 d. (10¢ at par) per lb., on the dressed and frozen weight of the lambs, skin and all offal for the credit of buyer's account, or, as it is quoted in New Zealand, 5 d. (10¢) per lb., overall. There was a sharp upward movement in prices during January, 1922, taking the prices up to 7 d. (14¢) per lb. In February they fell to 6-1/2 d. (13¢) but during March and April they rose to 7-1/2 d. (15¢). In the South Island the prices were about 1/2 d. (1¢) per lb. in advance of the foregoing, the





highest price per lb. being during the first week or two in April when a price of 8 d. (16¢) was registered. Prices for stock bought at per head generally exceeded these figures by fully 1/4 d. (\$.005) per lb.

Prices of wethers in the North Island opened at 3 d. (6¢) per lb. for light weight and 2 d. (4¢) per lb. for wethers dressing over 64. In January prices increased to 4-1/2 d. (9¢) but fell during February and March to 4 d. (8¢) increasing again in April to 4-3/4 d. (9.6¢). These prices refer only to light weight wethers under 56 with lower prices for heavier weights and inferior quality. Ewes, generally speaking, were quoted at 1 d. (2¢) per lb. less. Prices in the South Island for wethers and ewes corresponded more or less with those ruling in the North.

So far as beef is concerned the season opened with buyers in an uncertain frame of mind and quoting not more than 20 s. (\$4.87 at par) per 100 lbs, dressed and frozen weight for prime exportable frozen beef, hides and offal for account of buyer. The market was very poor during the entire season, with the result that the farms are today holding considerably larger quantities of beef cattle than is usual for this time of the year. The total export of beef from New Zealand is, however, such a small matter that it has practically no bearing on the world's trade. Today, in spite of reduced charges, freezing and railage, it is doubtful whether many buyers could be found who would be willing to take really prime stock at 20 s. (\$4.87) per 100 lbs. overall.

A recent pronouncement of the New Zealand Arbitration Court provided for a decrease of 5 s. (\$1.22) per week on the cost of all labor and at the present time, there is a considerable doubt as to whether this decrease in wages will be accepted by the employees. The owners of packing houses have no option but to enforce the award as it is anticipated that further reductions will be brought about next September in order to reduce the cost of operation between New Zealand and the distant consuming markets as soon as possible. The present charges on lamb, including freezing, freight, insurance, and London commission, amount to nearly 3-1/2 d. (7¢) per lb., on mutton slightly over 3 d. (6¢) per lb., and on beef about 2-1/2 d. (5¢) per lb. These charges are about 150% more than the prewar figures.

